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Groups challenge plans for Utah tar sands mine

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A small Canadian company, in need of millions for its ambitious plans, also is facing stiff opposition from two Utah environmental groups that are trying to thwart its efforts to build one of the first commercial tar sand mines in the country.

Earth Energy Resources, based in Calgary, Alberta, received approval a year ago from the staff of the Utah Division of Oil, Gas and Mining to begin working a 62-acre deposit on the Uintah County-Grand County line.

But opposition from Moab-based Living Rivers and Peaceful Uprising has thrown that decision to Division Director John Baza, who said Tuesday at an informal hearing he anticipates ruling on the company's mining permit within the next 30 days.

"Even then, my decision won't necessarily be final," Baza said, indicating that anyone who disagrees with his ruling can appeal to the board of the Division of Oil, Gas and Mining.

Earth Energy Resources contends its process is environmentally friendly and uses citrus-based solvent to recover heavy oil, or bitumen, from tar sands.

"We can extract the bitumen in a far more responsible manner than has been done to date anywhere in the world," said Barclay Cuthbert, Earth Energy's vice president of operations. "We are eager to get this project under way."

Environmentalists such as John Weisheit of Living Rivers aren't convinced.

Weisheit noted that recovering bitumen from tar sands will require vast water resources and that Earth Energy's project could be just the beginning of a wave of such development. That could have far-reaching effects on the environment in Utah and other states, he said.

"This type of project isn't appropriate for the Colorado Plateau. There is just not enough water to develop those resources."

Earth Energy is facing what may be a far more formidable obstacle than the outrage of Utah environmentalists.

The company needs to raise \$35 million to fund the development of its plant that it projects will turn out 2,000 barrels of oil a day. Included will be \$1.7 million it will need to purchase a bond so the state can be

comfortable that adequate financing is available to handle the reclamation of the mining property once all the tar sands have been removed.

"It is a challenge," Cuthbert said, indicating Earth Energy has some financing commitments in place but that many are contingent on the company raising the money that will put it over the \$35 million mark.

He estimated that it may be 18 months to two years before Earth Energy's Utah mine is up and running.

Juliana Williams of Peaceful Uprising questioned whether the threat to the environment was worth a plant and mine that over its seven-year life would produce the equivalent of four hours of the nation's total energy needs.

"They promise there will be zero emissions and zero discharge, but those promises of safety will mean very little if something happens," she said.

Four Utah refineries already process upward of 5 million barrels of crude a year that are recovered from tar sands in Canada, a figure that could climb by 13 percent if Earth Energy's project eventually goes online, she said.

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Tar sands operation proposed

Earth Energy Resources wants to operate one of Utah's first tar sands extraction plants on 62 acres of land atop the East Tavaputs Plateau.

